REMARKS

Applicant has carefully reviewed and considered the Examiner's Office Action dated January 10, 2007. Reconsideration is respectfully requested in view of foregoing amendments and the following comments.

By this Amendment, claims 1-9, 11, 13-18 and 20 are amended, and claim 19 is canceled. Accordingly, claims 1-18 and 20-23 are pending in the application.

Claims 1-3, 9-10, 15, 17, 19-20 and 22 were rejected under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 6,330, 547 to Martin and U.S. Patent No. 6,018714 to Risen, Jr. et al. (hereinafter referred to as "Risen"). This rejection is respectfully traversed.

A feature of the claimed invention lies in the recited

> 1. consolidated beneficiary right [that] is based on acceptance of stocks of the entrepreneur and a trust of the intellectual property right transferred from the entrepreneur to a fund donor in exchange for funds to be provided to the business (Claim 1, lines 5-8, Claim 15, lines 4-7, Claim 20, lines 6-9 of the present application)

and the recited

> 2. forecasting sales proceeds of the goods produced by the entrepreneur's enterprise at least on the basis of the received information about proceeds of the business of the entrepreneur so as to terminate the trust related to the consolidated beneficiary right by selling the stocks when reduction of sales proceeds is expected or the entrepreneur began over-the-counter trading even if it is judged in the judging step that the accumulated amounts of royalties do not fulfill expiration conditions of the trust (Claim 1, lines 18-23, Claim 15, lines 17-22, Claim 20, lines 19-24 of the present application).

These recited features of the independent claims are described on page 43, line 19 through page 46, line 23 of the present specification. According to the claimed invention, direct financing (relative financing) of Private Equity is changed to market-oriented financing by developing a consolidated beneficiary right formed on the basis of stocks of an entrepreneur and acceptance of a trust of an intellectual property right owned by the entrepreneur in exchange for a fund provided to the entrepreneur.

In contrast, all of the cited references disclose schemes based on indirect or direct financing. Therefore, the evaluation of value or risk of intellectual properties varies according to different financing systems. A method of investment managing is definitely different from methods of evaluation of intellectual properties or risks. That is, none of prior art references are directed to managing an investing performed by an entrepreneur using an intellectual property right as recited in each of the independent claims: Claim 1; Claim 15 and Claim 20.

In particular, Martin is directed to a method and apparatus for establishing and enhancing the **creditworthiness** of intellectual property. That is, whether one can use the intellectual property as collateral for a loan. This is not investment management as recited in independent claims 1, 15 and 20 of the present application. The Examiner relies of columns 2 and 3 of Martin as to storing information about a beneficiary right. However, nowhere does Martin discuss a beneficiary right, let alone the recited consolidated beneficiary right that is described on page 55, lines 19-26 of the originally-filed specification. Instead, Martin describes a system for establishing the creditworthiness of intellectual property before it "is transferred from the entrepreneur to a fund donor in exchange for funds to be provided for the business". Consequently, it is

submitted that Martin does not disclose, teach or suggest

> 3. storing information about a consolidated beneficiary right that is based on acceptance of stocks of the entrepreneur and a trust of the intellectual property right transferred from the entrepreneur to a fund donor in exchange for funds to be provided to the business and supplied by the fund donor ((Claim 1, lines 5-8, Claim 15, lines 4-7, Claim 20, lines 6-9 of the present application).

The Examiner acknowledges that Martin fails to teach "performing an income estimation about the investment to the entrepreneur in a first server computer ..." It the position of the Examiner that the secondary reference to Risen teaches valuing the intellectual property and keeping track of that value over the life of the property so that it would have been obvious to one of ordinary skill in the art to modify the teachings of Martin to include the step of Risen. However, Risen is directed to a method of protecting against an unexpected change in value of intellectual property and a product providing such protection. Risen discloses determining a cost for an unexpected change and offering to provide compensation for at least a portion of any unexpected change. That is, neither Martin nor Risen disclose, teach or suggest the performing an income estimation including accumulating the received amounts of royalties, judging an expiration of the trust and the above recited forecasting sales proceeds, as required by independent claims 1, 15 and 20. Consequently, it is submitted that no combination of Martin and Risen renders the claimed invention set forth in independent claims 1, 15 and 20 unpatentable. Withdrawal of the rejection under 35 U.S.C. §103(a) is respectfully requested.

Unreleased stocks cannot be a subject of liquidation or securitization. When an entrepreneur runs a business using its intellectual property, a system according to the

claimed inventions uses a function of liquidation of the intellectual property. This is described on page 29, line 24 through page 30, line 11 of the originally-filed specification. As the claimed invention recites, in addition to the intellectual-property-rights trust, separately, the stocks of the venture business are acquired (equity instrument) and future profits by holding stock (capital gain) are also provided as beneficiary rights. This is consolidated with the above-mentioned royalty beneficiary right (right of the benefit which receives a royalty profit). Thus, the royalty in the claimed invention does not remain a mere royalty income. Two beneficiary rights with different characters are consolidated, and an investment scheme is built based on the use of the conversion function peculiar to trust mentioned above with the liquidation of the property utilized as a "consolidated investment beneficiary right". As mentioned above, utilization of the intellectual property is means for changing the financing system to market-oriented financing and the consolidated beneficiary rights is a liquid asset according to the claimed invention. Nowhere does Martin or Risen disclose, teach or suggest the recited features 1., 2. and 3. argued above. Accordingly, it is respectfully submitted that no combination of Martin and Risen can render the claimed invention obvious.

Claims 4-8, 12-14, 16, 18, 21 and 23 are rejected under 35 U.S.C. §103(a) as being unpatentable over Martin and Risen and further in view of U.S. Patent Application No. 2002/0099637 to Wilkinson et al. (hereinafter referred to as "Wilkinson"). This rejection is respectfully traversed.

Wilkinson is directed to a process for investment in intellectual property that includes providing an accounting for an intellectual property investment; performing financial analysis related to the intellectual property investment; and managing the

investment based on the accounting, valuation and analysis of the investment. (See Abstract of Wilkinson.) Claim 4 recites that the method of claim 1 "the profit on sale of the stocks is a profit at the time of going public to-over-the-counter." This is described on page 60, lines 11-17 of the specification of the present application. Wilkinson describes each stock on each stock exchange in the world may have its intellectual property assets identified and valued so that the impact of intellectual property values and changes may be analyzed for investment purposes. See paragraph [0114] of Wilkinson. Nowhere does Wilkinson disclose information about proceeds of a business including a profit on sale of stocks at the time of going public to over-the-counter. Likewise, Wilkinson does not disclose, teach or suggest performing income estimation including the step of calculating an estimated amount of income from the entrepreneur using the received amounts of the royalties, as recited in claim 5 of the present application.

Nowhere does Wilkinson disclose, teach or suggest the recited features 1., 2. and 3. that are missing from the combination of Martin and Risen, as argued above. Consequently, Wilkinson cannot cure the deficiencies of Martin and Risen and cannot render the claimed invention unpatentable. Withdrawal of the rejection under 35 U.S.C. §103(a) is respectfully requested.

In view of the foregoing amendments and the comments distinguishing the claimed invention from the prior art of record, it is believed that claims 1-18 and 20-23 are allowable over the prior art of record and Applicant requests withdrawal of the above rejections. Accordingly, it is respectfully requested that a Notice of Allowance be issued indicating that claims 1-18 and 20-23 are allowed over the prior art of record.

Should the Examiner believe that a conference would advance the prosecution of this application, the Examiner is encouraged to telephone the undersigned counsel to arrange such a conference.

Respectfully submitted,

Date: May 10, 2007

Catherine M. Voorhees
Registration No. 33,074
VENABLE LLP
P.O. Box 34385
Washington, D.C. 20043-9998
Telephone: (202) 344-4000
Telefax: (202) 344-8300

CMV

::ODMA\PCDOCS\DC2DOCS1\857669\1